

House File 485 - Introduced

HOUSE FILE _____
BY FORD

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act increasing civil penalties for certain consumer fraud
2 violations.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
4 TLSB 2396HH 83
5 rh/nh/5

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1 1 Section 1. Section 714.16, subsection 7, unnumbered
1 2 paragraph 2, Code 2009, is amended to read as follows:
1 3 In addition to the remedies otherwise provided for in this
1 4 subsection, the attorney general may request and the court may
1 5 impose a civil penalty not to exceed ~~forty~~ fifty thousand
1 6 dollars per violation against a person found by the court to
1 7 have engaged in a method, act, or practice declared unlawful
1 8 under this section; provided, however, a course of conduct
1 9 shall not be considered to be separate and different
1 10 violations merely because the conduct is repeated to more than
1 11 one person. In addition, on the motion of the attorney
1 12 general or its own motion, the court may impose a civil
1 13 penalty of not more than ~~five~~ ten thousand dollars for each
1 14 day of intentional violation of a temporary restraining order,
1 15 preliminary injunction, or permanent injunction issued under
1 16 authority of this section. A penalty imposed pursuant to this
1 17 subsection is in addition to any penalty imposed pursuant to
1 18 section 537.6113. Civil penalties ordered pursuant to this
1 19 subsection shall be paid to the treasurer of state to be
1 20 deposited in the general fund of the state.
1 21 Sec. 2. Section 714.16A, subsection 1, unnumbered
1 22 paragraph 1, Code 2009, is amended to read as follows:
1 23 If a person violates section 714.16, and the violation is
1 24 committed against an older person, in an action brought by the
1 25 attorney general, in addition to any other civil penalty, the
1 26 court may impose an additional civil penalty not to exceed
1 27 ~~five~~ ten thousand dollars for each such violation.
1 28 Additionally, the attorney general may accept a civil penalty
1 29 as determined by the attorney general in settlement of an
1 30 investigation of a violation of section 714.16, regardless of
1 31 whether an action has been filed pursuant to section 714.16.

EXPLANATION

1 33 This bill increases the range of civil penalties that may
1 34 be imposed by a court for violations of the Iowa consumer
1 35 fraud Act (Code section 714.16) from not more than \$40,000 to
2 1 not more than \$50,000 and increases the range of civil
2 2 penalties that a court may impose for each day of intentional
2 3 violation of a temporary restraining order, preliminary
2 4 injunction, or permanent injunction issued under that Act from
2 5 not more than \$5,000 to not more than \$10,000.

2 6 The bill also increases the range of additional civil
2 7 penalties that may be imposed by a court for violations of the
2 8 Iowa consumer fraud Act committed against elderly persons (65
2 9 years of age or older) from not more than \$5,000 per violation
2 10 to not more than \$10,000 per violation.

2 11 The Iowa consumer fraud Act prohibits unfair and deceptive
2 12 trade practices in the sale, lease, or advertisement of a
2 13 product or service, and in the solicitation of charitable
2 14 contributions.

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